Registre de Commerce et des Sociétés
F7942 - L140022808
enregistré et déposé le 05/02/2014

The Institute for Global Financial Integrity, a.s.b.l. Association sans but lucratif

Annual accounts as at June 30, 2013

5-7, rue Munster
L-2160 Luxembourg
R.C.S. Luxembourg : F0007942

The Institute for Global Financial Integrity, a.s.b.l.

Table of content **Page(s)**

To the shareholders of

The Institute for Global Financial Integrity, a.s.b.l.

LUXEMBOURG

Report of the *Commissaire*

In accordance with the legal and statutory provisions, we have the honour to report on the execution for the year ended June 30, 2013 of the assignment as statutory auditor which you have entrusted to us.

We have carried out our mandate on the basis of article 62 of the law of August 10, 1915, as amended, which does not oblige the statutory auditor to give an opinion on the annual accounts. We therefore have not examined the annual accounts in accordance with International Standards on Auditing or International Standard on Review engagements and accordingly express no opinion thereon.

We have ascertained that the annual accounts as at June 30, 2013, showing a balance sheet total of EUR 52 345 and a profit for the year of EUR 10 607 reflect the accounting books and vouchers which have been submitted to us.

Statutory auditor

Martin Flaunet
Commissaire

Luxembourg, November 4th, 2013

The Institute for Global Financial Integrity, a.s.b.l.

Balance sheet as at June 30, 2013
Denominated in EUR

	Note(s)	2013	2012
ASSETS			
Current assets			
- other debtors	3		
. becoming due and payable within one year		18 280	14 000
		18 280	14 000
• cash at bank, cash in postal cheque accounts, cheques and cash in hand		34 065	26 926
Total Assets		**52 345**	**40 926**
LIABILITIES			
Accumulated Funds			
• result brought forward		33 049	9 185
• result for the financial year		10 607	23 864
		43 656	33 049
Creditors			
• trade creditors			
- becoming due and payable within one year		8 689	3 877
• amounts owed to Bourse de Luxembourg	4		
- becoming due and payable within one year		-	4 000
		8 689	7 877
Total Liabilities		**52 345**	**40 926**

The accompanying notes form an integral part of these annual accounts.

The Institute for Global Financial Integrity, a.s.b.l.

Profit and loss account for the year ended June 30, 2013
Denominated in EUR

	Note(s)	2013	2012
CHARGES			
Other external charges	5	23 176	21 076
Interest and other financial charges		7	-
Extraordinary charges		-	220
Profit for the financial year		**10 607**	**23 864**
Total Charges		**33 790**	**45 160**
INCOME			
Membership dues	6	20 500	30 000
Other operating income	7	13 290	15 160
Total Income		**33 790**	**45 160**

The accompanying notes form an integral part of these annual accounts.

The Institute for Global Financial Integrity, a.s.b.l.

Notes to the annual accounts as at June 30, 2013

Note 1 - General information

The Institute for Global Financial Integrity, a.s.b.l., (hereafter "the Association") was incorporated on May 12, 2009 for an unlimited period under the amended law of April 21, 1928 on non profit organizations and foundations as amended.

The Articles of Incorporation were published in the Memorial C, Recueil Spécial des Sociétés et Associations on May 12, 2009.

The registered office of the Association is established at 5-7, rue Munster, L-2160 Luxembourg.

The Association's financial year starts on July 1st and ends on June 30th of each year.

The main activity of the Association is to be a platform for all key players engaged in the Global Financial Sector and its related activities in order to serve as a Centre of Excellence and a Forum on the four core areas affected by financial integrity (hereinafter called the "Four Core Areas"), namely:

- regulation, oversight and enforcement of such regulation,
- compliance, governance and social responsibility,
- money laundering,
- funding of terrorism and organized crime.

The Association shall provide also research and advisory services in support of its members, with regard to the Four Core Areas. The association may carry out any operation which it may deemed useful in the accomplishment of its purpose, remaining always, however within the limits established by the law of April 21, 1928 as amended.

Note 2 - Summary of significant accounting policies

2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements and generally accepted accounting practices.

2.2 Significant accounting policies

The main valuation rules applied by the Association are the following:

2.2.1 Current debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

The Institute for Global Financial Integrity, a.s.b.l.

Notes to the annual accounts as at June 30, 2013

Note 2 - Summary of significant accounting policies (cont.)

2.2 Significant accounting policies (cont.)

2.2.2 Foreign currency translation

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historic exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realized exchange gains are recorded in the profit and loss account at the moment of their realisation.

2.2.3 Accruals and deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

2.2.4 Recognition of the membership dues

The initial and yearly membership dues are booked based on the accounting year (from July 1, 2012 until June 30, 2013).

Note 3 – Other debtors

The other debtors are mainly composed by the unpaid yearly membership dues in relation with the accounting year 2012 (EUR 1 750) and the unpaid yearly membership dues in relation with the accounting year 2013 (EUR 15 500). Moreover, some participants have still not paid their participation to different lunches organised during the accounting year 2012 (EUR 20) and 2013 (EUR 1 010).

Note 4 – Amounts owed to Bourse de Luxembourg

As charter member of the Association, Bourse de Luxembourg granted a short term loan in order to allow the Association to conduct a study "Financial Market Integrity Field Survey of Luxembourg". The loan has been reimbursed during the accounting year 2013.

The Institute for Global Financial Integrity, a.s.b.l.

Notes to the annual accounts as at June 30, 2013

Note 5 – Other external charges

The other charges correspond to the general expenses of the Association and are composed as follows:

	(EUR)
IT	4 312
Lunch events	12 165
Travel	481
Consultancy fees	6 200
Bank expenses and similar charges	18
Total	**23 176**

The Institute for Global Financial Integrity, a.s.b.l.

Notes to the annual accounts as at June 30, 2013

Note 6 – Membership dues

As at June 30, 2013, the membership dues are composed of initial as well as yearly dues (corresponding to the 2013 accounting year) to be paid by the members of the Association. The membership dues are composed as follows:

	Yearly dues (EUR)
Sandstone Luxembourg S.A. (Charter member) [(1)]	-
Société de la Bourse de Luxembourg S.A. (Charter member)	2 000
Deloitte Audit S.à r.l. (Charter member)	2 000
KPMG (Sustaining member)	2 000
Arendt & Medernach (Corporate/Institutional member)	1 000
PwC, Société coopérative (Corporate/Institutional member)	1 000
Stibbe Avocats (Corporate/Institutional member)	1 000
Alter Domus (Corporate/Institutional member)	1 000
Clifford Chance (Corporate/Institutional member)	1 000
Chambre de Commerce (Corporate/Institutional member)	1 000
ING Luxembourg S.à r.l. (Corporate/Institutional member)	1 000
Nucleus Holdings SCA (Corporate/Institutional member)	1 000
Crédit Agricole Luxembourg Private Bank (Corporate/Institutional member)	1 000
European Investment Bank (Corporate/Institutional member)	1 000
Mr. Peter Spinnler (Professional individual member)	250
Mr. Jean-Noël Lequeue (Professional individual member)	250
Mr. David O Clark (Professional individual member)	250
The CFA institute (Professional individual member)	250
Mr. Yves Wagner (Professional individual member)	250
Mr. Patrick Zurstrassen (Professional individual member)	250
Mrs. Rosa Villalobos (Academe individual member)	250
Mrs. Deidre McCabe (Professional individual member)	250
Mr. Pierre-Henri Conac (Academe individual member)	250
Mr. Serge Kolb (Professional individual member)	250
Mr. William Lockwood (Professional individual member)	250
Mr. Michel Maquil (Professional individual member)	250
Mr. Eric Van de Kerkhove (Professional individual member)	250
Mr. Philippe Kauffman (Professional individual member)	1 250
Total	**20 500**

[(1)] By decision of the board of directors, the contribution fees made by Sandstone Luxembourg S.A. for the set-up funding of the Association, will be allocated for the payment of the current and future dues.

Note 7 – Other operating income

The other operating income is composed by the lunches paid by the participants to the different lunch events organized by the Association during the accounting year 2013.

The Institute for Global Financial Integrity, a.s.b.l.

Notes to the annual accounts as at June 30, 2013

Note 8 – Contribution of services

In addition of the yearly membership dues (see note 6), certain founder-members made significant contributions of services to the Association for the accounting year 2013.